

REMARKS

This amendment is responsive to the Office Action mailed March 4, 2008. Applicant has considered the comments presented in the Office Action and respectfully requests reconsideration of the present application. Claims 1, 5, 28, 31, 32, 34, 38, and 42 have been amended. New Claims 47-49 have been added. Accordingly, Claims 1-10 and 28-49 are pending in the application.

Claim Rejections – 35 U.S.C. § 112

Claims 1-10 and 28-46 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Applicant requests reconsideration.

The Examiner requested clarification of the element of "controlling execution of the order such that the order is executable" as recited in Claim 1. Applicant submits that the terminology in Claim 1 is clear and meets the requirements of Section 112. Nevertheless, without narrowing its scope, Claim 1 has been amended to recite "automatically controlling execution of the order such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market without chance of a duplicate execution of the simultaneously available portion or all of the order." Similar amendments have been made to independent Claims 28 and 38.

The Office Action further suggested that the dependent claims "contain similar ambiguities." The Office Action did not specify Claims 5, 32, and 42 in particular; however, the Examiner suggested that the element of "committing the conditional operation" is ambiguous. Applicant respectfully disagrees.

The conditionally performed operation is committed after receiving confirmation from the other of the internal and external markets that the operation has been communicated to the other of the internal and external markets. There is nothing ambiguous about "committing" an

act as recited in Claims 5, 32, and 42; equivalently, one can refer to *performing* the act. Accordingly, without narrowing their scope, Claims 5, 32, and 42 have been amended to recite "performing the conditional operation after receiving confirmation from the other of the internal and external markets that the operation has been communicated to the other of the internal and external markets."

Applicant respectfully submits that all of the claims presented herewith are definite and meet the requirements of Section 112, second paragraph.

Claim Rejections – 35 U.S.C. § 103(a)

Claims 1-10 and 28-46 were rejected as being unpatentable over Lupien et al. (U.S. Patent No. 5,101,353) (hereinafter "Lupien") in view of Korhammer et al. (U.S. Patent No. 6,278,982) (hereinafter "Korhammer"). Applicant respectfully disagrees and requests withdrawal of the claim rejections.

In response to the prior Office Action, applicant argued that Lupien fails to teach or suggest the element of "automatically causing a portion or all of an order to be *simultaneously available for execution* in both the internal market and an external market . . . wherein the same portion or all of the order is simultaneously available for execution by market participants in both the internal and external markets." Applicant has clarified this claim element to now read: "automatically, during a time interval, causing a portion or all of an order to be simultaneously available for execution in both the internal market and an external market . . . wherein, during the time interval, the same portion or all of the order is simultaneously available to the market participants in both the internal and external markets to complete a trade." Applicant submits that Lupien fails to teach or suggest this element of Claim 1.

As noted by applicant, Lupien's orders are first broadcast to an internal market (i.e., "other market participants logged into the computer executing this program"). If the orders are

not executed within the system, the orders may then be routed to an external market (i.e., "one or more computerized exchanges, brokerage services, market access networks or displayed through its own network"). The routing of orders by Lupien to, first, the internal market, and then, to an external market, is in fact a sequential routing of the orders and not a simultaneous routing.

At page 6, lines 8-9, of the Office Action, the Examiner disagreed with the foregoing reasoning and alleged that "Lupien discloses in the Abstract and Column 3 lines 31-42 broadcasting the order to various markets." In reply, applicant first notes that the abstract of Lupien provides no such disclosure. Second, this allegation misquotes the teachings of Lupien at Col. 3, lines 31-42. Lupien actually explains: "The resulting orders will be broadcast to other *market participants* [not 'various markets'] logged into the computer executing this program . . ." (emphasis and comment added). Then, in a sequential fashion, the order is "placed on one or more computerized exchanges, brokerage services, market access networks or displayed through its own network." As can be seen, Lupien does not teach that the order is broadcast to various markets such that the order is simultaneously available to the market participants in both the internal and external markets to complete a trade.

At page 6, lines 11-15, of the Office Action, the Examiner further alleged:

Further the division of orders ensures that the orders are executable by a market participant in at most one of the internal market and the external market and there is no duplication of orders. For instance if 50% of the order is sent to one market and the remaining sent to another market the same portion of the order is simultaneously available for execution in both the markets. Hence Lupien teaches the feature automatically controlling execution of the order such that the order is executable by a market participant in at most one of the internal market and the external market, without chance of a duplicate execution of the order in more than one of the internal and external markets.

Applicant respectfully disagrees with both the premise and the conclusion reached by the Examiner. Specifically, at Col. 3, lines 43-45, Lupien teaches:

The division of orders among those sources of executions will be based upon a series of rules including probability of execution and control of pending orders.

In other words, Lupien suggests that an order can be divided into portions that are each sent to different sources of execution based on rules that take into account the probability of execution and control of the pending orders. The "division of orders among those sources of executions" mentioned by Lupien does not suggest that the *same* portion of an order is simultaneously available in more than one market.

The Examiner sought to support this argument by providing an example in which "50% of the order is sent to one market and the remaining sent to another market." This example, however, illustrates the error in the Examiner's reasoning. This example does not lead to the conclusion that the same portion of the order is simultaneously available for execution in both of the markets. It may be that the same *proportion* (i.e., 50%) of the order is available in the different markets, but the *portions* of the order that are sent to the different markets *are different* (i.e., the first 50% is sent to one market and the last 50% is sent to the other market).

In view of the above, applicant submits the Lupien does not teach or suggest the features of "automatically, during a time interval, causing a portion or all of an order to be simultaneously available for execution in both the internal market and an external market . . . wherein, during the time interval, the same portion or all of the order is simultaneously available to the market participants in both the internal and external markets to complete a trade," and "automatically controlling execution of the order such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market without chance of a duplicate execution of the simultaneously available portion or all of the order," as recited in Claim 1.

The fact that Lupien does not simultaneously make available for execution the same portion or all of an order in both an internal and external market is further borne out, for

example, at Col. 16, lines 23-28, of Lupien. This passage (part of Claim 1 of Lupien) recites "transmitting orders remaining unexecuted after first being presented internally to other investors using the system to external automated securities brokers and exchanges for matching and execution in a substantially real time environment." Sequential representation of an order at different markets, as taught by Lupien, does not render obvious the method claimed in Claim 1.

The Office Action did not cite Korhammer with respect to independent Claim 1. Nevertheless, applicant has considered Korhammer and finds that its disclosure does not overcome the deficiencies of Lupien noted above.

After considering all of the facts, applicant submits that a *prima facie* case of obviousness under Section 103 has not been shown. Accordingly, the rejection of Claim 1 should be withdrawn.

Independent Claim 28 is directed to a system configured to operate an internal market. The system comprises a computing component that is configured to make a portion or all of an order available for execution in the internal market and to automatically cause, during a time interval, the same portion or all of the order to be simultaneously available for execution at an external market. The computing component is further configured to automatically control execution of the order such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market without chance of a duplicate execution of the simultaneously available portion or all of the order.

As evident from the preceding discussion, Lupien does not disclose a computing component configured as defined in Claim 28, nor does Korhammer overcome the deficiencies of Lupien. Accordingly, the rejection of Claim 28 should be withdrawn.

Independent Claim 38 is directed to a computer-accessible medium having executable instructions stored thereon for operating an internal market. When executed, the instructions

cause a computer to receive an order that is executable at a market and automatically, during a time interval, cause a portion or all of the order to be simultaneously available for execution in both the internal market and an external market. Each of the internal and external markets have a plurality of market participants and are separately capable of executing trades between the market participants. During the time interval, the same portion or all of the order is simultaneously available to the market participants in both the internal and external markets to complete a trade. Furthermore, the instructions, when executed, cause the computer to automatically control execution of the order such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market without chance of a duplicate execution of the simultaneously available portion or all of the order.

Lupien does not teach the elements recited in Claim 38, particularly in view of the comments provided above relative to Claims 1 and 28. Korhammer, for its part, does not overcome the deficiencies of Lupien. Accordingly, Claim 38 should be allowed.

Dependent Claims 2-10, 29-37, and 39-49 depend either directly or indirectly from Claims 1, 28, and 38, respectively, and are allowable over Lupien and Korhammer for the same reasons as Claims 1, 28, and 38. Moreover, Claims 2-10, 29-37, and 39-49 present subject matter that is separately and additionally allowable over Lupien and Korhammer.

For example, new Claim 47 recites the method of Claim 1, in which "the automatically controlling includes operating the internal market according to a two-phase protocol in which in a first phase, permission is obtained from a controlling process to execute the order, and in a second phase, the order is executed only if permission from the controlling process is obtained." This feature is not found in Lupien or Korhammer. Similar patentable features are recited in new Claims 48 and 49.

Lastly, without conceding the propriety of the Official Notice taken by the Examiner, applicant respectfully submits that the Official Notice of "executing orders in a market with short latencies, routing the orders to such markets with short latencies and adjusting the orders in the markets before separating the execution in the markets" (Office Action, page 5) is insufficient to cure the deficiencies of Lupien and Korhammer and does not support an obviousness rejection of Claims 7-8, 34-35, and 44-45.

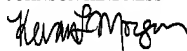
Furthermore, applicant has considered Korhammer as applied to the dependent claims and disputes that Korhammer discloses what is claimed. Applicant also disagrees that the elements of the dependent claims are statements of intended use, as suggested in the Office Action (pages 4-5). The dependent claims recite additional positive elements that further define the method, system, and computer-accessible medium as claimed in Claims 1, 28, and 38.

CONCLUSION

In view of the foregoing discussion, reconsideration and allowance of Claims 1-10 and 28-49 are requested. Should any issues remain needing resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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